

MINUTES

Reading Parking Authority

17 November 2010

The Reading Parking Authority held their meeting on Wednesday, 17 November 2010 at 5:30 P.M. in their office at 613 Franklin Street, Reading, PA.

Board Members Present

George Cook, Chairman

Jack Lantrip, Vice Chairman

John M. Darlington, Treasurer, Secretary

Mark Cinciosi, Board Member

Mike Polyak, Board Member

Absent

None

Others Present

Lawrence Lee, Executive Director, RPA

James Lillis, Solicitor

Christina Gilfert, Finance Manager, RPA

Guest(s)

None

The meeting was called to order by the Chairman of the Board at 5:30 PM.

Public Comments

None

Guest

None

Reading and Approval of the Minutes

Motion 2010-45 was made by Mr. Lantrip to accept the minutes from the previous meeting. The motion was seconded by Mr. Cianciosi. The motion passed.

Correspondence

None

Executive Director's Report

Convention Center Garage

The Authority paid Whiting Turner \$750,000 on 1 November 2010 for 50% of their retainage and outstanding work in September. The Authority has also paid change orders amounting to \$595,287.28 to the general contractor to date. The project is 99.7% complete. The Authority is still awaiting the third grant payment of approximately 1.0MM. The Authority has paid \$360,000 from our operating budget to pay for construction invoices for September to avoid high interest rates from the bridge loan.

Parking Ticket Fee Changes

City council is reviewing across the board parking ticket fines increases by \$5 for the initial fine and an additional \$15 for the late fee. The initiative will be voted on/about 22 November.

Authority's Guarantee Bond Requirement

Our bond holder, US Bank, requires an annual guarantee relative to sufficient funds to pay administrative fees, operating fees, debt service and reimbursement to the city in accordance the trust indenture Section V 5.02.

The document must be signed by the Chairman.

Out of State Parking Violations

The Parking Authority has established procedures with KADENT Collection Operations. A contract was forwarded to the solicitor for review and subsequent implementation. The Authority is looking at commencing the program on 1 Jan 11. The program starts with a late notice and after 30 days, turning the collection process over to a collection agency. The executive director contacted the Administrative Office of Pennsylvania Courts to further address the collection agency process after the DJ notification to out of state violators. The matter is tabled until the December meeting.

Wells Fargo Contract Changes

The Parking Authority is still working with Wachovia/Wells Fargo on a new parking agreement. Wells Fargo has withdrawn their 137 parking spaces from the Second and Washington garage, and minimally increased parking spaces in the South Penn garage. The current contract language allows penalties for a reduction in spaces beyond 20% of their existing contract.

Bond Payment

The Parking Authority paid its bond debt in the amount of \$3,244,071 on 12 November 2010. The Authority also paid \$10,948.94 on the bridge loan from METRO Bank. The executive director also proposes closing the bridge loan account by paying off the \$1,000 remaining balance. Approximately \$560,000 remains to be paid to contractors.

Electric Deregulation

The Parking Authority has advertised for electric for all of our facilities for 2011 and beyond. The end date for bidding was 15 November. The executive director rejected all of the bids and will re-advertise for new electric provider. The solicitor indicated that the board should reject the bids via a motion, re-advertise for an electric provider with all bids going directly to the executive director.

Tax Exemption

The Parking Authority has filed for a tax refund of \$5,240.89 from the Pennsylvania Department of Revenue. The Authority paid taxes to MET-ED on three electric accounts over the past 18

months. The error was discovered when the Authority started receiving electric bills for the DoubleTree Convention Center garage.

Used Equipment Procurement

The Parking Authority has agreed in principle to purchase used federal revenue equipment for two of our exiting garages that currently have aging revenue control equipment. Planning and programming are ongoing. The purchase of this equipment will finalize standardized revenue control equipment across all parking garages.

Wyndham Garage

The stairs located on the 5th Street side of the garage have experienced a “catastrophic failure” in accordance to Mr. Bob Wardle, Wardle Engineering. The maintenance supervisor notified Mr. Wardle after discovering severe rusting and deterioration of the stairwell and the stairs have been closed. It should be noted that these stairs are identified as the emergency exit for the garage. Recommend to the board to authorize Bob Wardle to author the required specification for the job, bid the results and subsequently make the necessary repairs as soon as possible. It is estimated that the repairs will cost approximately \$150,000. A motion is required.

General Liability and Worker's Compensation Insurance

The Parking Authority received our insurance quote for worker's compensation and general liability for 2011 (commencing 1 Dec 10).

Last year's rates were:

Worker's Compensation General Liability Total

2010	\$34,322	\$64,973	\$99,295
2011	\$43,183	\$68,204	\$111,387

The largest increase was for our worker's compensation at 25% increase. The modest increase in general liability was for adding the DoubleTree Convention Center garage that was not insured the previous year (2009).

The insurance broker is EHD located in Wyomissing with the insure carrier being Ohio Casualty for general liability and Netherlands Insurance for worker's compensation – both are “A” rated organizations. A motion is required.

Further Revenue Recommendations

- Continue to seek a viable out of state revenue collection process
- Eliminate or reduce discount parking (hourly discounts, all day parking stamps, and validations).
- Initiate evening parking fees beyond the existing \$2.00 evening parking to a maximum of \$11.00 daily parking
- Consider increasing parking fees at the State lot which is always crowded
- Leverage technology and potentially initiate downsizing
- Seek board approval on residential rates for garage parking to ease on street parking.

A motion would be required to accept any of these recommendations.

The Authority was notified by the Administrative Office of Pennsylvania Courts (AOPC) that District Justice Lachina will commence adjudication of parking tickets commencing on/about 1 Jan 11. The change will provide faster turnaround time for violators and at the same time provide a more convenient location for the violator to attend court.

Truck Purchase

The Parking Authority is paying excessive repairs for our aging Parking Enforcement vehicles. The 1998 GMC Sonoma has over 118,000 city miles with torn interior and no air conditioning. The vehicles are no longer economical to repair. Penske Buick is a state sponsored vehicle fleet provider and can provide a replacement vehicle for \$16,500. A motion is required.

2010 Budget Review

The Finance Manager addressed the status of Budget/Revenue for 2010.

Operating Budget: The Authority is currently \$205,874 under budget. Some line items are paid annually (pension) and can skew the monthly snap shot. Depreciation will be significantly increased once we put the DoubleTree Convention Center into service. Wages will also increase with events starting in October.

Revenue Report: The Authority is \$46,979 **behind our revenue** from the same period this time last year.

Cash flows: Cash flows are ahead of last year at \$7,458,529. The enclosed cash flow does not include the two bond payments made in November in excess of \$3.4MM. It should also be

further noted that \$580,000 remains to be paid on the construction and retainage of the DoubleTree Convention Center garage.

Motions for the Board

1. That the board passes a motion to accept the minutes from the last board meeting. Motion 2010-45.
2. That the board accepts the accounts payable from the previous meeting. Motion 2010-46.
3. That the board approves the insurance rate of \$111,387 for 2011 with EHD for our general liability and worker's compensation insurance. Motion 2010-47 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.
4. That the board authorizes Wardle Engineering to author specifications, bid documents and manage the repairs to the Wyndham garage stairs. Motion 2010-48 was made by Mr. Lantrip and seconded by Darlington. The motion passed.
5. That the board authorizes the purchase of a 2011 Fleet/non-retail GMC Canyon 4 X 4 for \$16,500 including trade-in. Motion 2010-49 was made by Mr. Lantrip and seconded by Mr. Polyak. The motion passed.
6. That the board authorize the appropriate form be executed from US Bank (our bond holder) indicating that there is sufficient funds available within the Parking Authority to pay any and all fees relative to our bond payments. Motion 2010-50 was made by Mr. Lantrip and seconded by Mr. Cianciosi. The motion passed.
7. That the board approves the parking agreement between the Parking Authority and the Reading Express for 2011. Motion 2010-51 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.
8. That the board approves the parking agreement between the Parking Authority and the Haven Behavioral Hospital of Eastern Pennsylvania for 2011. Motion 2010-52 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.
9. That the board of directors rejects all bids submitted under the 15 November 2010 solicitation relative to electric providers for the Reading Parking Authority. The bids were too high as determined by the Executive Director. Motion 2010- 53 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.
10. That the board of directors approves the revenue generation recommendations presented by the Executive Director as soon as practical as noted above. Motion 2010-54 was made by Mr. Lantrip and seconded by Mr. Darlington. The motion passed.

Solicitor's Report

No additional report.

Approval of Accounts Payable

A motion was made by Mr. Lantrip to accept the previous month's accounts payable and was seconded by Mr. Polyak. Motion 2010-46 passed.

Old Business

The executive director stated that we have yet to increase the meter fees as directed by the board last month. The McKay meter representative was involved in a serious automobile accident, but will be in Reading to increase the meter fees to \$1.50 per hour on Monday, 22 November.

New Business

The Express football parking agreement was presented for approval for 2011 and signed by the Chairman of the Board.

The Haven Behavioral parking contract was presented for approval. The Chairman of the Board also signed that agreement.

Other Business

The County of Berks has approved our requested for tax exemption for the DoubleTree Convention Center garage.

Executive Session

None

The meeting adjourned at 6:17 PM.

RPA Next Regular Meeting

The next board meeting is scheduled for 15 December 2010.

The Chairman, Mr. Cook concluded the meeting with a commitment by the Parking Authority to meet our financial obligations under ACT 47 for 2011, barring any unforeseen catastrophic event.